

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:	Chapter 11
WINC, INC., <i>et al.</i> ¹	Case No. 22-11238 (LSS)
Debtors.	(Jointly Administered)
	<u>Hearing Date:</u> September 28, 2023 at 2:30 p.m. (ET)
	<u>Objection Deadline:</u> September 19, 2023 at 4:00 p.m. (ET)

SUMMARY OF EIGHTH MONTHLY AND FINAL APPLICATION OF YOUNG CONAWAY STARGATT & TAYLOR, LLP, AS COUNSEL TO THE DEBTORS AND DEBTORS IN POSSESSION, FOR ALLOWANCE OF COMPENSATION AND REIMBURSEMENT OF EXPENSES INCURRED FOR THE MONTHLY PERIOD FROM JULY 1, 2023 THROUGH AUGUST 9, 2023 AND FOR THE FINAL PERIOD FROM NOVEMBER 30, 2022 THROUGH AUGUST 9, 2023

Name of Applicant:	Young Conaway Stargatt & Taylor, LLP
Authorized to Provide Professional Services to:	Debtors and Debtors in Possession
Date of Retention:	November 30, 2022 (order entered January 4, 2023)
Monthly Period for which compensation and reimbursement is sought:	July 1, 2023 through August 9, 2023
Monthly Amount of Compensation sought as actual, reasonable and necessary:	\$81,419.50
Monthly Amount of Expense Reimbursement sought as actual, reasonable and necessary:	\$2,611.85
Final Period for which compensation and reimbursement is sought:	November 30, 2022 through August 9, 2023
Final Amount of Compensation sought as actual, reasonable and necessary:	\$1,219,054.50

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Winc, Inc. (8960); BWSC, LLC (0899); and Winc Lost Poet, LLC (N/A). The Debtors' mailing address for purposes of these chapter 11 cases is 12405 Venice Boulevard, Box #1, Los Angeles, CA 90066.

Final Amount of Expense Reimbursement
sought as actual, reasonable and necessary: \$17,945.48

This is a: monthly final application

This application includes 6.40 hours and \$2,473.00 in fees incurred in connection with the preparation of Fee Applications.

Prior applications:

Date Filed / Docket No.	Period Covered	Requested		Approved	
		Fees	Expenses	Fees	Expenses
1/12/23 D.I. 170	11/30/22 – 12/31/22	\$462,852.50	\$6,905.76	\$462,852.50	\$6,905.76
2/13/23 D.I. 237	1/1/23 – 1/31/23	\$409,856.00	\$5,310.20	\$409,856.00	\$5,310.20
3/9/23 D.I. 291	2/1/23 – 2/28/23	\$85,499.50	\$1,438.99	\$85,499.50	\$1,438.99
4/6/23 D.I. 310	3/1/23 – 3/31/23	\$59,026.50	\$353.55	-	-
5/25/23 D.I. 364	4/1/23 – 4/30/23	\$50,811.50	\$104.98	-	-
6/30/23 D.I. 407	5/1/23 – 5/31/23	\$25,688.00	\$445.55	-	-
7/13/23 D.I. 418	6/1/23 – 6/30/23	\$43,901.00	\$774.60	-	-

MONTHLY COMPENSATION BY INDIVIDUAL

Name of Professional Person	Position of the Applicant, Number of Years in that Position, Prior Relevant Experience, Year of Obtaining License to Practice, Area of Expertise	Hourly Billing Rate (\$)	Total Billed Hours	Total Compensation (\$)
Craig D. Grear	Partner since 2000. Joined firm as an associate in 1996. Member of DE Bar since 1996.	1,300.00	1.30	1,690.00
Matthew B. Lunn	Partner since 2010. Joined firm as an associate in 2001. Member of DE Bar since 2001. Member of NY Bar since 2009.	1,025.00	18.50	18,962.50
Allison S. Mielke	Joined firm as an associate in 2017. Member of DE Bar since 2013.	685.00	58.40	40,004.00
Joshua B. Brooks	Joined firm as an associate in 2020. Member of MD Bar since 2020. Member of DE Bar since 2021.	505.00	10.50	5,302.50
Shella Borovinskaya	Joined firm as an associate in 2022. Member of DE Bar since 2022.	505.00	12.90	6,514.50
Troy Bollman	Paralegal	355.00	25.20	8,946.00
Grand Total:			126.80	81,419.50
Blended Rate:		642.11		

MONTHLY COMPENSATION BY PROJECT CATEGORY

Project Category	Total Hours	Total Fees (\$)
Case Administration (B001)	2.60	1,089.00
Court Hearings (B002)	12.10	6,760.50
Cash Collateral/DIP Financing (B003)	1.30	890.50
Schedules & Statements, U.S. Trustee Reports (B004)	1.20	657.00
Lease/Executory Contract Issues (B005)	1.70	1,164.50
Use, Sale or Lease of Property (363 issues) (B006)	9.90	7,857.00
Claims Analysis, Objections and Resolutions (B007)	1.30	687.50
Meetings (B008)	3.40	2,329.00
Plan and Disclosure Statement (B012)	72.60	48,942.00
Creditor Inquiries (B013)	1.20	696.00
General Corporate Matters (B014)	3.90	3,113.50
Retention of Professionals/Fee Issues (B017)	9.20	4,760.00
Fee Application Preparation (B018)	6.40	2,473.00
TOTAL	126.80	81,419.50

MONTHLY EXPENSE SUMMARY

Expenses Category	Total Expenses (\$)
Delivery/Courier	73.00
Deposition/Transcript	114.95
Reproduction Charges	1,860.40
Working Meals	563.50
TOTAL	2,611.85

**SUMMARY OF TIMEKEEPERS INCLUDED
IN THE FINAL APPLICATION**

Name	Title	Department	Date of First Admission	Fees Billed in the Application Period (\$)	Hours Billed in the Application Period	Hourly Rate(s) Billed in the Application Period (\$)
James P. Hughes	Partner	Corporate	1992	2,990.00	2.30	(2023) 1,300.00
Craig D. Grear	Partner	Corporate	1996	148,842.00	121.30	(2022) 1,160.00 (2023) 1,300.00
Michael R. Nestor	Partner	Bankruptcy	1995	43,866.50	38.00	(2022) 1,105.00 (2023) 1,240.00
Matthew B. Lunn	Partner	Bankruptcy	2001	295,455.00	300.00	(2022) 915.00 (2023) 1,025.00
Michael S. Neiburg	Partner	Bankruptcy	2009	31,360.00	35.70	(2022) 800.00 (2023) 900.00
Daniel P. Johnson	Partner	Real Estate	1988	115.00	0.20	(2023) 575.00
Allison S. Mielke	Associate	Bankruptcy	2013	381,142.00	583.50	(2022) 600.00 (2023) 685.00
Joshua B. Brooks	Associate	Bankruptcy	2020	111,556.00	231.50	(2022) 450.00 (2023) 505.00
Kenneth L. Norton	Associate	Corporate	2021	23,032.50	49.60	(2022) 450.00 (2023) 525.00
Shella Borovinskaya	Associate	Bankruptcy	2022	119,948.50	249.60	(2022) 450.00 (2023) 505.00
Rebecca L. Lamb	Associate	Bankruptcy	N/A	2,565.00	5.40	(2023) 475.00
Debbie Laskin	Paralegal	Bankruptcy	N/A	1,420.50	3.90	(2022) 335.00
Troy M. Bollman	Paralegal	Bankruptcy	N/A	56,374.50	162.30	(2022) 325.00 (2023) 355.00
Chad A. Corazza	Paralegal	Bankruptcy	N/A	32.50	0.10	(2022) 325.00
Karen Luongo	Paralegal	Corporate	N/A	246.50	0.80	(2022) 305.00
Ashley M. Clarke	Paralegal	Corporate	N/A	108.00	0.60	(2022) 180.00
TOTALS				1,219,054.50	1,784.80	

SUMMARY OF FINAL COMPENSATION BY PROJECT CATEGORY

Project Category	Total Hours	Total Fees (\$)
Case Administration (B001)	105.30	53,301.50
Court Hearings (B002)	186.50	104,595.00
Cash Collateral/DIP Financing (B003)	145.70	97,838.50
Schedules & Statements, U.S. Trustee Reports (B004)	67.10	34,653.50
Lease/Executory Contract Issues (B005)	85.30	49,079.00
Use, Sale or Lease of Property (363 issues) (B006)	603.10	494,873.00
Claims Analysis, Objections and Resolutions (B007)	57.00	34,452.00
Meetings (B008)	69.40	46,904.50
Stay Relief Matters (B009)	9.10	4,726.00
Other Adversary Proceedings (B011)	7.40	4,312.00
Plan and Disclosure Statement (B012)	252.00	176,168.00
Creditor Inquiries (B013)	12.60	7,177.50
General Corporate Matters (B014)	32.20	26,813.50
Employee Matters (B015)	1.20	825.50
Retention of Professionals/Fee Issues (B017)	125.40	70,633.00
Fee Application Preparation (B018)	23.60	11,869.50
Utility Services (B020)	1.90	832.50
TOTALS	1,784.80	\$1,219,054.50

SUMMARY OF FINAL EXPENSE SUMMARY

Expenses Category	Total Expenses (\$)
Computerized Legal Research	319.75
Corporation Service Co. - UCC/Lien Search	416.10
Delivery/Courier	412.50
Deposition/Transcript	1,932.20
Docket Retrieval/Search	633.55
Federal Express	33.40
Filing Fee	188.00
Reproduction Charges	10,510.60
Secretary of State	50.00
Teleconference/ Video Conference	728.47
Title Search	664.75
Working Meals	2,056.16
TOTAL	\$17,945.48

SUMMARY OF FINAL APPLICATION

Name of Applicant	Young Conaway Stargatt & Taylor, LLP
Name of Client	Debtors and Debtors in Possession
Time period covered by Final Application	November 30, 2022 through August 9, 2023
Total compensation sought during the Final Application Period	\$1,219,054.50
Total expenses sought during the Final Application Period	\$17,945.48
Petition Date	November 30, 2022
Retention Date	November 30, 2022
Date of order approving employment	January 4, 2023
Total compensation approved by interim order to date	\$958,208.00
Total expenses approved by interim order to date	\$13,654.95
Total allowed compensation paid to date	\$958,208.00
Total allowed expenses paid to date	\$13,654.95
Blended rate in the Final Application for all attorneys	\$717.87
Blended rate in the Final Application for all timekeepers	\$683.02
Compensation sought in the Final Application already paid (or to be paid) pursuant to a monthly compensation order but not yet allowed	\$260,846.50
Expenses sought in the Final Application already paid (or to be paid) pursuant to a monthly compensation order but not yet allowed	\$4,290.53
Number of professionals included in the Final Application	16
If applicable, number of professionals in the Final Application not included in staffing plan approved by client	9
If applicable, difference between fees budgeted and compensation sought during the Final Application Period	Amount Budgeted: \$1,500,000.00 Amount Sought: \$1,219,054.50 Difference: \$280,945.50
Number of professionals billing fewer than 15 hours to the case during the Final Application Period	7
Are any rates higher than those approved or disclosed at retention?	No

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Debtors.

Chapter 11

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(Jointly Administered)

Hearing Date:

September 28, 2023 at 2:30 p.m. (ET)

Objection Deadline:

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**EIGHTH MONTHLY AND FINAL APPLICATION OF YOUNG CONAWAY
STARGATT & TAYLOR, LLP, AS COUNSEL TO THE DEBTORS AND
DEBTORS IN POSSESSION, FOR ALLOWANCE OF COMPENSATION
AND REIMBURSEMENT OF EXPENSES INCURRED FOR THE
MONTHLY PERIOD FROM JULY 1, 2023 THROUGH AUGUST 9, 2023 AND
FOR THE FINAL PERIOD FROM NOVEMBER 30, 2022 THROUGH AUGUST 9, 2023**

Pursuant to sections 330 and 331 of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”), and rule 2016 of the Federal Rules of Bankruptcy Procedure, and in accordance with that certain *Order Authorizing the Retention and Employment of Young Conaway Stargatt & Taylor, LLP as Counsel for the Debtors, Effective as of the Petition Date* [Docket No. 129] (the “Retention Order”) and that certain *Order Establishing Procedures for Interim Compensation and Reimbursement of Professionals* [Docket No. 126] (the “Interim Compensation Order”), the law firm of Young Conaway Stargatt & Taylor, LLP (“Young Conaway”) hereby applies (this “Application”) to the United States Bankruptcy Court for the District of Delaware (the “Court”) for reasonable compensation for professional legal services rendered as counsel to the above-captioned debtors and debtors in possession (collectively,

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the “Debtors”), in the amount of \$81,419.50, together with reimbursement for actual and necessary expenses incurred in the amount of \$2,611.85, for the monthly period from July 1, 2023 through and including August 9, 2023 (the “Monthly Fee Period”), and in the amount of \$1,219,054.50, together with reimbursement for actual and necessary expenses incurred in the amount of \$17,945.48, for the final period from November 30, 2022 through and including August 9, 2023 (the “Final Fee Period”). In support of this Application, Young Conaway respectfully represents as follows:

BACKGROUND

1. On November 30, 2022 (the “Petition Date”), each of the Debtors filed a voluntary petition with the Court under chapter 11 of the Bankruptcy Code.
2. Pursuant to the Retention Order, Young Conaway was retained to represent the Debtors as bankruptcy counsel in connection with these chapter 11 cases, effective as of the Petition Date. The Retention Order authorizes Young Conaway to be compensated on an hourly basis and to be reimbursed for actual and necessary expenses.
3. All services for which compensation is requested herein by Young Conaway were performed for or on behalf of the Debtors.

SUMMARY OF SERVICES RENDERED

4. Attached hereto as Exhibit A is a detailed statement of fees incurred during the Monthly Fee Period, showing the amount of \$81,419.50 due for fees.
5. The services rendered by Young Conaway during the Monthly Fee Period are grouped into the categories set forth in Exhibit A. The attorneys and paralegals who rendered services relating to each category are identified, along with the number of hours for each individual and the total compensation sought for each category, in the attachments hereto.

DISBURSEMENTS

6. Young Conaway has incurred disbursements during the Monthly Fee Period in the amount of \$2,611.85. Attached hereto as **Exhibit B** is a detailed statement of expenses paid during the Monthly Fee Period. This disbursement sum is broken down into categories of charges, including, among other things, telephone and telecopier toll and other charges, mail and express mail charges, special or hand delivery charges, document processing, photocopying charges, charges for mailing supplies (including, without limitation, envelopes and labels) provided by Young Conaway to outside copying services for use in mass mailings, travel expenses, expenses for “working meals,” computerized research, transcription costs, as well as non-ordinary overhead expenses such as secretarial and other overtime. A complete review by category of the expenses incurred for the Monthly Fee Period may be found attached hereto as **Exhibit B**.

7. Costs incurred for overtime and computer assisted research are not included in Young Conaway’s normal hourly billing rates and, therefore, are itemized and included in Young Conaway’s disbursements. Pursuant to Rule 2016-2 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), Young Conaway represents that its rate for duplication is \$0.10 per page for black and white copies and \$.80 per page for color copies, its rate for outgoing telecopier transmissions is \$0.25 per page (excluding related long distance transmission charges), there is no charge for incoming telecopier transmissions, and there is no surcharge for computerized research.

VALUATION OF SERVICES

8. Attorneys and paraprofessionals of Young Conaway have expended a total of 126.80 hours in connection with this matter during the Monthly Fee Period.

9. The amount of time spent by each of these persons providing services to the Debtors for the Monthly Fee Period is fully set forth in the detail attached hereto as Exhibit A. These are Young Conaway's normal hourly rates of compensation for work of this character. The reasonable value of the services rendered by Young Conaway for the Monthly Fee Period as counsel for the Debtors in these cases is \$81,419.50.

10. Young Conaway believes that the time entries included in Exhibit A, attached hereto, and the expense breakdown set forth in Exhibit B, attached hereto, are in compliance with the requirements of Local Rule 2016-2.

11. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, the amount requested is fair and reasonable given (a) the complexity of these chapter 11 cases, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under chapter 11 of the Bankruptcy Code.

BUDGET AND STAFFING PLAN

12. Young Conaway and the Debtors have agreed to the budget and staffing plan, attached hereto as Exhibit C, for the Final Fee Period.

STATEMENT OF APPLICANT

13. The following statements address the questions set forth under Section C.5 of the *Appendix B Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases* (the “UST Guidelines”). In addition, Young Conaway respectfully states as follows to address the questions set forth under section C.5 of the UST Guidelines:

- a) During the Final Fee Period, Young Conaway did not agree to any variations from, or alternatives to, its standard or customary billing rates, fees, or terms.
- b) The fees sought by Young Conaway are not more than ten percent (10%) higher than the fees budgeted in the budget provided by Young Conaway to the Debtors for the Final Fee Period.
- c) The professionals included in the Application as it relates to the Final Fee Period did not vary their hourly rate based on the geographic location of the bankruptcy cases.
- d) The Application as it relates to the Final Fee Period did not include any fees dedicated to revising time records or preparing and revising invoices that would not normally be compensable outside of bankruptcy.
- e) The time period covered by the Application includes approximately 3.20 hours with a value of \$3,280.00 spent by Young Conaway to ensure that the time entries subject to the Final Fee Period comply with the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware and do not disclose privileged or confidential information. This review and any revisions associated therewith are a necessary component of Young Conaway's preparation of each monthly fee application.
- f) The Application includes rate increases as of January 1, 2023. As disclosed in the *Debtors' Application for Entry of an Order Authorizing the Retention and Employment of Young Conaway Stargatt & Taylor, LLP as Counsel for*

the Debtors, Effective as of the Petition Date [Docket No. 763], Young Conaway's hourly rates are subject to periodic adjustments to reflect economic and other conditions.

BLENDDED RATE SCHEDULE

14. A blended rate schedule, as requested by *Appendix B* to the UST Guidelines, is attached hereto as **Exhibit D**.

REQUEST FOR FINAL APPROVAL OF FEES AND EXPENSES

15. By this Application, Young Conaway seeks final approval of all fees and expenses incurred during the Final Fee Period in the amounts of \$1,219,054.50 and \$17,945.48, respectively. During the Final Fee Period, Young Conaway performed necessary services and incurred out-of-pocket disbursements for the Debtors and their estates.² As set forth more fully in prior monthly applications, which are incorporated herein by reference, and this Application, in accordance with the factors enumerated in section 330 of the Bankruptcy Code, approval of the fees requested for the Final Fee Period is fair and reasonable given (a) the complexity of these chapter 11 cases, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under this title. In addition, the out-of-pocket disbursements for which reimbursement is sought were actual, reasonable and necessary costs (i) incurred while representing the Debtors, and (ii) of preserving the value of the Debtors' estates.

² Young Conaway has performed, and will continue to perform, additional necessary services, and has incurred, and will continue to incur, additional expenses, subsequent to August 9, 2023 for which it will seek compensation from the Debtors.

CONCLUSION

WHEREFORE, Young Conaway requests that allowance be made to it in the sum of \$81,419.50 as compensation for necessary professional services rendered to the Debtors for the Monthly Fee Period, and the sum of \$2,611.85 for reimbursement of actual necessary costs and expenses incurred during that Monthly Fee Period, and in the sum of \$1,219,054.50 as compensation for necessary professional services rendered to the Debtors for the Final Fee Period, and the sum of \$17,945.48 for reimbursement of actual necessary costs and expenses incurred during the Final Fee Period, and further requests such other and further relief as this Court may deem just and proper.

Dated: August 29, 2023
Wilmington, Delaware

YOUNG CONAWAY STARGATT & TAYLOR, LLP

/s/ Matthew B. Lunn

Michael R. Nestor (No. 3526)
Matthew B. Lunn (No. 4119)
Allison S. Mielke (No. 5934)
Shella Borovinskaya (No. 6758)
Rodney Square
1000 North King Street
Wilmington, Delaware 19801
Telephone: (302) 571-6600
Facsimile: (302) 571-1253
Email: mnestor@ycst.com
mlunn@ycst.com
amielke@ycst.com
sborovinskaya@ycst.com

Counsel to the Debtors and Debtors in Possession

VERIFICATION

I, Matthew B. Lunn, declare, pursuant to 28 U.S.C. § 1746, under penalty of perjury:

1. I am a Partner in the applicant firm, Young Conaway Stargatt & Taylor, LLP (“Young Conaway”), and have been admitted to the bar of the Supreme Court of Delaware since 2001.

2. I have personally performed many of the legal services rendered by Young Conaway to Winc, Inc. and its affiliated debtors and debtors in possession in connection with their chapter 11 cases, and am familiar with all other work performed on behalf of the lawyers and paraprofessionals at Young Conaway.

3. The facts set forth in the foregoing Application are true and correct to the best of my knowledge, information and belief.

Dated: August 29, 2023

/s/ Matthew B. Lunn
MATTHEW B. LUNN